

## **A MULTICRITERIA APPROACH TO BURDEN SHARING AMONG INDUSTRIAL BRANCHES FOR COMBATING CLIMATE CHANGE**

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### **ABSTRACT**

Green taxes and other market based environmental policies are widely recognised as effective instruments to combat the greenhouse effect and other environmental repercussions, while being capable of achieving such objectives at a lower cost compared to regulatory policies. A major issue in the design and implementation of these policy instruments is how burdens should be allocated among the concerned market players. This issue is more complex for the industrial sector, which is responsible for a large share of total atmospheric emissions and in the same time constitutes a major driving force for economic growth and social welfare. This paper proposes a MultiCriteria Decision Aid (MCDA) method for establishing a burden sharing system suitable for industrial branches committed to reduce greenhouse gases emissions. The aim is to develop a policy framework “on the basis of equity and in accordance with their common but differentiated responsibilities and capabilities” as stated in the Kyoto Protocol.